

BARNES METHODIST CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

BARNES METHODIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|---|
| Trustees | Members of the Church Council |
| Charity number | 1133913 |
| Principal address | Barnes Methodist Church Station Road London SW13 0NH |
| Independent examiner | Sam Thomas FCA Azets Trinity Court 34 West Street Sutton Surrey SM1 1SH |
| Bankers | Central Finance Board of the Methodist Church 9 Bonhill Street London United Kingdom EC2A 4PE HSBC Bank plc 172 Upper Richmond Road Putney London United Kingdom SW15 2SH |
| Solicitors | Methodist Insurance plc Brazenose Street Manchester United Kingdom M2 5AS |
| Investment advisers | The Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester United Kingdom M1 1JQ |

BARNES METHODIST CHURCH

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BARNES METHODIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report and financial statements for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing documents, the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective from 1 January 2015.

Objectives and activities

The objective and policy of the trustees, both long term and short term, is to enable the church to function successfully at a local level alongside our local ecumenical partners, through the Richmond and Hounslow circuit with our neighbouring Methodist Churches and through the Methodist Connexion with our national and international community.

The purposes of the Methodist Church are, and have been since the date of the union, as set out in section 4 of the Methodist Church Act of 1976. The calling of the Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission. The ministry includes:

Worship - The Church exists to increase awareness of God's presence and to celebrate God's love

Evangelism - The Church exists to make more followers of Jesus Christ

Learning and caring - The Church exists to help people to grow and learn as Christians, through mutual support and care

Service - The Church exists to be a good neighbour to people in need and to challenge injustice

Barnes Methodist Church exists to exercise the whole ministry of Jesus Christ, particularly in the local community

The church building is licensed for marriages and for funeral services.

The trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

At the start of the year, the congregation was meeting every Sunday for worship, and on a weekday for bible study. The church was also used for occasional concerts and regularly for ABRSM music exams and the rooms downstairs were in use daily by local activity groups. During the winter months the church hosted a night shelter for the homeless run by the charity Glass Door.

Covid restrictions came into force in March 2020 and required us to close the building. Lettings were suspended. Opportunities for worship online were provided by the circuit.

BARNES METHODIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Incoming resources decreased by 32.3% from £150,189 to £101,645 during the year, largely due to the reduction in rental income as a result of the Covid-19 pandemic.

Charitable expenditure increased to £124,192 compared with £115,232 in 2019. This includes apportioned support and governance costs which have increased by 40.2% from £56,849 to £79,708. As a result an overall deficit of £23,161 (2019: surplus of £35,383) has been made before any gains from revaluation of the Church buildings.

The net assets of the Church at the year-end show a healthy balance sheet, mainly as a result of the inclusion of the Church building in the accounts at its valuation of £5,750,000 (2019: £5,057,016). Excluding tangible fixed assets, the total funds would be £358,257 (2019: £379,568).

The Church flat is let to a tenant placed there by the London Borough of Richmond upon Thames. The Borough Council is responsible for the payment of the rent to the Church.

The Church is again deeply indebted to the dedicated commitment, financial support, gifts in kind, work and self-sacrifice of our members in many ways, without which we, and the neighbourhood, would be much the poorer.

From time to time, the Church has surplus funds to invest on a short-term basis. Funds have traditionally been placed with the Central Finance Board of the Methodist Church, which has a record of prudent management and good returns, coupled with flexibility and ease of repayment. It is not likely in the near future that there will be many funds to invest, so obtaining comparisons with other similar bodies may have a very limited effect. However, when funds begin to accumulate, testing the market may be a more worthwhile exercise.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity registered with the Charity Commission on 1st February 2010, having previously taken advantage of the exception under Statutory Instrument 2002 (no. 1598). Its governing documents are the Deed of Union (1932) and the Methodist Church Act (1976).

The trustees who served during the year are listed in note 24 to the accounts.

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the charity's contractual and other legal obligations.

There were no trade creditors of the charity at the year end.

BARNES METHODIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Barnes Methodist Church is part of the Richmond and Hounslow Circuit of Methodist churches, which itself is part of the larger London District. The Circuit administers people, property and finance, and acts through central Circuit meetings, to which representatives of each of the local churches attend. All districts are related to each other through The Connexion, a network of support for all the churches in Great Britain. All districts, Circuits and Local Churches are constituted in accordance with the practices and discipline of The Methodist Church in Britain.

Barnes Methodist Church has its own Church Council, who form the trustees, which makes decisions affecting the Church at a local level. There are no formal training procedures involved in membership of the Church Council, which is ultimately the decision-making body for Barnes Methodist Church.

Funds held as custodian trustee

The Church is anxious to ensure good stewardship in all its dealings. Quarterly updates are prepared by the Treasurer for review by the Management Committee and Church Council, and significant items are inquired into. Updates are reported from time to time in the Newsletter, and annual accounts are available to all members. An Annual Summary is forwarded to the Circuit in the early part of each succeeding year.

Arrangements are in place for all monetary collections to be counted on the premises by at least two people, in the presence of each other, before being promptly banked to avoid unnecessary cash being kept on the premises. Income tax repayment claims are regularly prepared and submitted. It is policy to pay all creditors within agreed credit terms.

A thorough inspection of the entire premises is carried out every five years by professional advisers from the Methodist Church Property Office, whose written Report is acted upon with appropriate urgency. A risk management plan is also in place which seeks to identify the most significant risks faced by the Church, their likelihood of occurrence, and their potential impact. It also includes the safeguarding of children and young people, and indicates what action is in place or planned to mitigate each risk. Risks are likely to fall into four categories: external environment; mission and outreach; finance; and internal infrastructure. The plan is kept under continuous review.

The trustees' report was approved by the Board of Trustees.


.....
V Isaac
Trustee

Date: 10th MARCH 2024
.....

BARNES METHODIST CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BARNES METHODIST CHURCH

I report to the trustees on my examination of the financial statements of Barnes Methodist Church (the charity) for the year ended 31 August 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

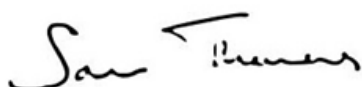
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Sam Thomas FCA
Independent Examiner
Azets Audit Services
ICAEW

Dated: 11/03/2024

Trinity Court
34 West Street
Sutton
Surrey
SM1 1SH
United Kingdom

BARNES METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Endowment funds 2020 £ | Total 2020 £ | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Endowment funds 2019 £ | Total 2019 £ |
|---|-------|---------------------------------|-------------------------------|------------------------------|--------------------|---------------------------------|-------------------------------|------------------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | | | | | |
| Donations and legacies | 3 | 10,399 | 12,570 | - | 22,969 | 15,145 | 4,302 | - | 19,447 |
| Barnes Fair | 4 | - | - | - | - | 1,496 | - | - | 1,496 |
| Investments | 5 | 75,923 | 925 | 689 | 77,537 | 124,569 | 873 | 1,036 | 126,478 |
| Other income | 6 | 1,139 | - | - | 1,139 | 2,768 | - | - | 2,768 |
| Total income and endowments | | 87,461 | 13,495 | 689 | 101,645 | 143,978 | 5,175 | 1,036 | 150,189 |
| <u>Expenditure on:</u> | | | | | | | | | |
| Raising funds | 7 | 150 | - | 70 | 220 | 150 | - | 69 | 219 |
| Charitable activities | 8 | 123,723 | 249 | - | 123,972 | 114,331 | 682 | - | 115,013 |
| Total expenditure | | 123,873 | 249 | 70 | 124,192 | 114,481 | 682 | 69 | 115,232 |
| Net gains/(losses) on investments | 13 | - | - | (614) | (614) | - | - | 426 | 426 |
| Net (outgoing)/incoming resources before transfers | | (36,412) | 13,246 | 5 | (23,161) | 29,497 | 4,493 | 1,393 | 35,383 |

BARNES METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Endowment funds 2020 £ | Total 2020 £ | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Endowment funds 2019 £ | Total 2019 £ |
|---|-------|------------------------------------|----------------------------------|---------------------------------|--------------------|------------------------------------|----------------------------------|---------------------------------|--------------------|
| Net (outgoing)/incoming resources before transfers | | (36,412) | 13,246 | 5 | (23,161) | 29,497 | 4,493 | 1,393 | 35,383 |
| Gross transfers between funds | | 161 | 458 | (619) | - | (14,685) | 15,652 | (967) | - |
| Net (outgoing)/incoming resources | | (36,251) | 13,704 | (614) | (23,161) | 14,812 | 20,145 | 426 | 35,383 |
| Other recognised gains and losses | | | | | | | | | |
| Revaluation of tangible fixed assets | | 692,984 | - | - | 692,984 | 180,377 | - | - | 180,377 |
| Net movement in funds | | 656,733 | 13,704 | (614) | 669,823 | 195,189 | 20,145 | 426 | 215,760 |
| Fund balances at 1 September 2019 | | 5,261,608 | 134,293 | 50,212 | 5,446,113 | 5,066,419 | 114,148 | 49,786 | 5,230,353 |
| Fund balances at 31 August 2020 | | 5,918,341 | 147,997 | 49,598 | 6,115,936 | 5,261,608 | 134,293 | 50,212 | 5,446,113 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

BARNES METHODIST CHURCH

BALANCE SHEET

AS AT 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 15 | 5,757,679 | | 5,066,545 | |
| Investments | 16 | 109,281 | | 109,895 | |
| | | <u>5,866,960</u> | | <u>5,176,440</u> | |
| Current assets | | | | | |
| Debtors | 17 | 17,360 | | 16,833 | |
| Cash at bank and in hand | | 243,424 | | 257,760 | |
| | | <u>260,784</u> | | <u>274,593</u> | |
| Creditors: amounts falling due within one year | 18 | <u>(11,808)</u> | | <u>(4,920)</u> | |
| Net current assets | | | 248,976 | | 269,673 |
| Total assets less current liabilities | | | <u>6,115,936</u> | | <u>5,446,113</u> |
| Capital funds | | | | | |
| <u>Endowment funds - general</u> | | | | | |
| Permanent endowment | | 34,203 | | 34,817 | |
| Expendable endowment | | <u>15,395</u> | | <u>15,395</u> | |
| | 19 | | 49,598 | | 50,212 |
| Income funds | | | | | |
| Restricted funds | 20 | | 147,997 | | 134,293 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 21 | 1,757 | | 1,457 | |
| General unrestricted funds | | 3,314,848 | | 3,351,399 | |
| Revaluation reserve | | <u>2,601,736</u> | | <u>1,908,752</u> | |
| | | | <u>5,918,341</u> | | <u>5,261,608</u> |
| | | | <u>6,115,936</u> | | <u>5,446,113</u> |

The accounts were approved by the Trustees on 10 MARCH 2021



V Isaac
Trustee

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Barnes Methodist Church is a registered charity with the Charity Commission and its governing documents are the Deed of Union (1932) and the Methodist Church Act (1976). The registered office is Barnes Methodist Church, Station Road, London, SW13 0NH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing documents, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. The Church has one Permanent Endowment; a Legacy which was left some years ago by M G Calvert to provide a regular income for musical and cultural purposes. It is invested with The Trustees for Methodist Church Purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Barnes Methodist Church welcomes all legacies and gifts in memoriam. Legacies are a valuable source of income, and the Church has benefited considerably over the years from the generous provision by members and adherents for its continuing work after their death. Legacies may be earmarked for specific activities or concerns, for example youth work, maintenance of the organ, or simply to support on-going work. Legacies are recognised on date of receipt.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Resources expended are recognised on an accruals basis and allocated between costs of generating funds, charitable activities and governance costs.

Governance costs represent all costs incurred in maintaining and running the Church buildings and meeting all legal and financial reporting requirements. Support and governance costs are apportioned to charitable activities on the proportion of the direct costs incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|-----------------------------------|
| Fixtures, fittings & equipment | 5% - 10% straight-line, per annum |
| Computers | 33% straight-line, per annum |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

No depreciation is provided in terms of freehold land.

After taking advice from the Charity Commission, in conjunction with the Methodist Property Office, the Church building and the school property need to be included on the Balance Sheet, at their insured value as determined by Methodist Insurance plc. An adjustment is made every year (where material) as an unrealised gain.

It has been identified from the SORP (FRS 102) that historic Churches are unlikely to meet the heritage asset definition, as the preservation of the buildings they occupy is unlikely to be the primary objective of the Charity. Churches therefore do not qualify as a heritage asset and thus cannot be included at nil cost.

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the charity holds a long-term interest and where the charity has significant influence. The charity considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Taxation

As a charity, the Church benefits from Rates Relief and is exempt from direct tax on its charitable income and, because they are specifically exempted or regarded as de minimus, its fundraising activities. We are therefore able to recover, through Gift Aid, the tax already suffered by donors from their income. In 2020 this amounted to £1,139 (2019: £2,768).

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The significant estimations are considered to be depreciation of fixed assets and the valuation of the church at the year end.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

| | Unrestricted funds | Restricted funds | Total 2020 | Total 2019 |
|-----------------------------------|-----------------------|---------------------|---------------|---------------|
| | £ | £ | £ | £ |
| Donations and gifts | 7,214 | 12,570 | 19,784 | 17,655 |
| Other charitable income | 3,185 | - | 3,185 | 1,792 |
| | <u>10,399</u> | <u>12,570</u> | <u>22,969</u> | <u>19,447</u> |
| For the year ended 31 August 2019 | <u>15,145</u> | <u>4,302</u> | | <u>19,447</u> |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 Barnes Fair

| | Total Unrestricted funds | |
|--------------------|--------------------------|-----------|
| | 2020 £ | 2019 £ |
| Fundraising events | - | 1,496 |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

| 5 Investments | Unrestricted funds | | Restricted funds | Endowment funds general | Total | Unrestricted funds | | Restricted funds | Endowment funds general | Total |
|---|--------------------|--------|------------------|-------------------------|--------|--------------------|--------|------------------|-------------------------|---------|
| | 2020 £ | 2020 £ | 2020 £ | 2020 £ | 2020 £ | 2019 £ | 2019 £ | 2019 £ | 2019 £ | 2019 £ |
| Rental income | 75,059 | - | - | - | 75,059 | 123,722 | - | - | - | 123,722 |
| Dividends and interest received on TMCP investments | 644 | - | 689 | 689 | 1,333 | 637 | - | - | 1,036 | 1,673 |
| Interest receivable | 220 | 925 | - | - | 1,145 | 210 | 873 | 873 | - | 1,083 |
| | 75,923 | 925 | 689 | 689 | 77,537 | 124,569 | 873 | 873 | 1,036 | 126,478 |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Other income

| | Unrestricted funds | Unrestricted funds |
|--------------------|--------------------|--------------------|
| | 2020 | 2019 |
| | £ | £ |
| Gift aid reclaimed | 1,139 | 2,768 |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

| 7 Raising funds | Unrestricted funds | | Endowment funds general | | Total | Unrestricted funds | | Endowment funds general | | Total |
|------------------------------|--------------------|---|-------------------------|---|-------|--------------------|---|-------------------------|---|-------|
| | 2020 | £ | 2020 | £ | 2020 | 2019 | £ | 2019 | £ | 2019 |
| <u>Investment management</u> | 150 | | 70 | | 220 | 150 | | 69 | | 219 |
| | 150 | | 70 | | 220 | 150 | | 69 | | 219 |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities

| | Grants and donations 2020 £ | Worship and Young People 2020 £ | Benevolent Fund 2020 £ | Assessment by Circuit 2020 £ | Total 2020 £ | Total 2019 £ |
|---|--------------------------------------|--|---------------------------------|---------------------------------------|--------------------|--------------------|
| Direct costs | - | 1,415 | 249 | 40,986 | 42,650 | 56,195 |
| Grant funding of activities (see note 9) | 1,614 | - | - | - | 1,614 | 1,969 |
| Share of support costs (see note 10) | 2,683 | 1,585 | 414 | 68,138 | 72,820 | 51,929 |
| Share of governance costs (see note 10) | 254 | 150 | 39 | 6,445 | 6,888 | 4,920 |
| | <u>4,551</u> | <u>3,150</u> | <u>702</u> | <u>115,569</u> | <u>123,972</u> | <u>115,013</u> |
| Analysis by fund | | | | | | |
| Unrestricted funds | 4,551 | 3,150 | 453 | 115,569 | 123,723 | 114,331 |
| Restricted funds | - | - | 249 | - | 249 | 682 |
| | <u>4,551</u> | <u>3,150</u> | <u>702</u> | <u>115,569</u> | <u>123,972</u> | <u>115,013</u> |

For the year ended 31 August 2019

| | Grants and donations £ | Worship and Young People £ | Benevolent Fund £ | Assessment by Circuit £ | Total 2019 £ |
|--|------------------------------|----------------------------------|-------------------------|-------------------------------|--------------------|
| Direct costs | - | 1,848 | 323 | 54,024 | 56,195 |
| Grant funding of activities (see note 9) | 1,969 | - | - | - | 1,969 |
| Share of support costs (see note 10) | 1,758 | 1,650 | 288 | 48,233 | 51,929 |
| Share of governance costs (see note 10) | 167 | 156 | 27 | 4,570 | 4,920 |
| | <u>3,894</u> | <u>3,654</u> | <u>638</u> | <u>106,827</u> | <u>115,013</u> |
| Analysis by fund | | | | | |
| Unrestricted funds | 3,535 | 3,654 | 315 | 106,827 | 114,331 |
| Restricted funds | 359 | - | 323 | - | 682 |
| | <u>3,894</u> | <u>3,654</u> | <u>638</u> | <u>106,827</u> | <u>115,013</u> |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Grants payable

| | 2020 £ | 2019 £ |
|-------------------------|-----------|-----------|
| Grants to institutions: | | |
| Other | 1,614 | 1,969 |

10 Support costs

| | Support costs £ | Governance costs £ | 2020 £ | 2019 £ | Basis of allocation |
|--|--------------------|-----------------------|-----------|-----------|----------------------------|
| Staff costs | 6,830 | - | 6,830 | - | Proportion of direct costs |
| Depreciation | 1,849 | - | 1,849 | 2,417 | Proportion of direct costs |
| Utilities | 15,938 | - | 15,938 | 17,061 | Proportion of direct costs |
| Property costs | 30,803 | - | 30,803 | 22,641 | Proportion of direct costs |
| Administrative costs | 17,400 | - | 17,400 | 9,810 | Proportion of direct costs |
| Independent Examiner's fees | - | 6,888 | 6,888 | 4,920 | Governance |
| | 72,820 | 6,888 | 79,708 | 56,849 | |
| Analysed between Charitable activities | 72,820 | 6,888 | 79,708 | 56,849 | |

Governance costs includes independent examiner's fees of £4,920 (2019 - £4,920).

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. No payments were made to Trustees during the year for expenses, however this does not include reimbursement for the purchase of items where the trustee was acting on the Church's behalf.

12 Employees

The average monthly number of employees during the year was:

| 2020 Number | 2019 Number |
|----------------|----------------|
| 1 | - |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

12 Employees (Continued)

| Employment costs | 2020 £ | 2019 £ |
|-----------------------|--------------|-----------|
| Wages and salaries | 6,695 | - |
| Social security costs | 80 | - |
| Other pension costs | 55 | - |
| | <u>6,830</u> | <u>-</u> |

There were no employees whose annual remuneration was more than £60,000.

13 Net gains/(losses) on investments

| | Endowment funds general 2020 £ | Endowment funds general 2019 £ |
|----------------------------|---|---|
| Revaluation of investments | (614) | 426 |

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Tangible fixed assets

| | Land and buildings £ | Fixtures, fittings & equipment £ | Computers £ | Total £ |
|------------------------------------|----------------------------|---|----------------|------------------|
| Cost or valuation | | | | |
| At 1 September 2019 | 5,057,016 | 24,418 | 3,049 | 5,084,483 |
| Revaluation | 692,984 | - | - | 692,984 |
| At 31 August 2020 | <u>5,750,000</u> | <u>24,418</u> | <u>3,049</u> | <u>5,777,467</u> |
| Depreciation and impairment | | | | |
| At 1 September 2019 | - | 15,122 | 2,817 | 17,939 |
| Depreciation charged in the year | - | 1,617 | 232 | 1,849 |
| At 31 August 2020 | <u>-</u> | <u>16,739</u> | <u>3,049</u> | <u>19,788</u> |
| Carrying amount | | | | |
| At 31 August 2020 | <u>5,750,000</u> | <u>7,679</u> | <u>-</u> | <u>5,757,679</u> |
| At 31 August 2019 | <u>5,057,016</u> | <u>9,296</u> | <u>233</u> | <u>5,066,545</u> |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

15 Tangible fixed assets

(Continued)

Land and buildings with a carrying amount of £5,750,000 were revalued by the Trustees as at 31st August 2020 based on the insurance value by Methodist Insurance plc.

At 31 August 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £nil (2019 - £-).

Not included in fixed assets is an organ, purchased in 1925, which has an insurance value of £586,725 (2019 - £586,725). This has not been capitalised due to its unique nature and inability to obtain an accurate market value for the asset.

16 Fixed asset investments

| | Calvert Legacy £ | Various Bequests £ | Total £ |
|--------------------------|------------------------|--------------------------|------------|
| Cost or valuation | | | |
| At 31 August 2019 | 75,078 | 34,817 | 109,895 |
| Valuation changes | - | (614) | (614) |
| Income | 644 | 688 | 1,332 |
| Charges and transfers | (644) | (688) | (1,332) |
| | | | |
| At 31 August 2020 | 75,078 | 34,203 | 109,281 |
| | | | |
| Carrying amount | | | |
| At 31 August 2020 | 75,078 | 34,203 | 109,281 |
| | | | |
| At 31 August 2019 | 75,078 | 34,817 | 109,895 |

The Hannah Elizabeth Gentry Bequest de-registered as a charity during 2006. It holds investments under the terms of Miss Gentry's Will, which are managed by the Trustees for Methodist Church Purposes and the Central Finance Board of the Methodist Church, and disbursements are made by trustees appointed by Barnes Methodist Church Council. The net decrease in the year was £395 (2019 - increase of £542). The total value of the investments held by the Trust is £28,706 (2019 - £29,101).

17 Debtors

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Prepayments and accrued income | 17,360 | 16,833 |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

18 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|-----------|-----------|
| Other creditors | 5,904 | - |
| Accruals and deferred income | 5,904 | 4,920 |
| | <hr/> | <hr/> |
| | 11,808 | 4,920 |
| | <hr/> | <hr/> |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

| | Balance at 1 September 2018 £ | Movement in funds | | | | | Movement in funds | | | | | Balance at 31 August 2020 £ |
|--|--|----------------------------|----------------|--------------------------|----------------------------------|--|----------------------------|----------------|--------------------------|----------------------------------|--|--------------------------------------|
| | | Incoming resources £ | Transfers £ | Gains and losses £ | Fund management costs £ | Balance at 1 September 2019 £ | Incoming resources £ | Transfers £ | Gains and losses £ | Fund management costs £ | | |
| Permanent endowments | | | | | | | | | | | | |
| Miss M G Calvert legacy | 34,391 | 1,036 | (967) | 426 | (69) | 34,817 | 688 | (618) | (614) | (70) | | 34,203 |
| Expendable endowments | | | | | | | | | | | | |
| Amounts held in HSBC | | | | | | | | | | | | |
| Community Account | 14,495 | - | - | - | - | 14,495 | - | - | - | - | | 14,495 |
| Constant amount from General funds | 900 | - | - | - | - | 900 | - | - | - | - | | 900 |
| | 49,786 | 1,036 | (967) | 426 | (69) | 50,212 | 688 | (618) | (614) | (70) | | 49,598 |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 September 2018 £ | Movement in funds | | | Balance at 1 September 2019 £ | Movement in funds | | | Balance at 31 August 2020 £ |
|--|--|----------------------------|----------------------------|------------------------------|--|----------------------------|----------------------------|------------------------------|--------------------------------------|
| | | Incoming resources £ | Outgoing resources £ | Transfers in / (out) £ | | Incoming resources £ | Outgoing resources £ | Transfers in / (out) £ | |
| Property Reserve Fund | 97,410 | 805 | - | 20,900 | 119,115 | 853 | - | - | 119,968 |
| Organ Fund | 10,031 | 69 | - | - | 10,100 | 72 | - | - | 10,172 |
| Benevolent Fund | 1,592 | 316 | (323) | (1,583) | 2 | 216 | (249) | 31 | - |
| Roof Fund | 4,579 | 3,862 | - | (3,365) | 5,076 | 12,022 | - | 427 | 17,525 |
| The Barnes Workhouse Fund | 300 | - | - | (300) | - | - | - | - | - |
| Amounts received on behalf of other charities | 236 | 123 | (359) | - | - | 332 | - | - | 332 |
| | 114,148 | 5,175 | (682) | 15,652 | 134,293 | 13,495 | (249) | 458 | 147,997 |

The Property Reserve Fund is for the maintenance of the Church buildings.

The Benevolent Fund is for identified benevolent purposes. Transfer were received from unrestricted funds in respect of the Ministers Discretionary Fund and a gift aid claim.

The John Hodgson and Jim Rentell Funds were created to provide funds towards Organ tuning and newsletter costs. These now constitute the Organ Fund.

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds | | | Movement in funds | | |
|------------------------------|--------------------|--------------------|--------------|-----------------------------|--------------------|---------------------------|
| | Incoming resources | Resources expended | Transfers | Balance at 1 September 2019 | Incoming resources | Balance at 31 August 2020 |
| | £ | £ | £ | £ | £ | £ |
| Ministers Discretionary Fund | 300 | (400) | 1,557 | 1,457 | 300 | 1,757 |
| | <u>300</u> | <u>(400)</u> | <u>1,557</u> | <u>1,457</u> | <u>300</u> | <u>1,757</u> |
| | <u>300</u> | <u>(400)</u> | <u>1,557</u> | <u>1,457</u> | <u>300</u> | <u>1,757</u> |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

| 22 Analysis of net assets between funds | Unrestricted Funds 2020 £ | Restricted Funds 2020 £ | Endowment Funds 2020 £ | Total Unrestricted Funds 2020 £ | Restricted Funds 2019 £ | Endowment Funds 2019 £ | Total 2019 £ |
|---|------------------------------------|----------------------------------|---------------------------------|--|----------------------------------|---------------------------------|--------------------|
| | | | | | | | |
| Fund balances at 31 August 2020 are represented by: | | | | | | | |
| Tangible assets | 5,757,679 | - | - | 5,757,679 | - | - | 5,066,545 |
| Investments | 75,078 | - | 34,203 | 109,281 | - | 34,817 | 109,895 |
| Current assets/(liabilities) | 85,584 | 147,997 | 15,395 | 248,976 | 134,293 | 15,395 | 269,673 |
| | 5,918,341 | 147,997 | 49,598 | 6,115,936 | 134,293 | 50,212 | 5,446,113 |

BARNES METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

23 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

24 Trustees

| | |
|------------------|--|
| Rev G Farrar | |
| Rev A Nyawo | (Resigned 30 November 2019) |
| Rev C Lupi | (Appointed 1 September 2020 / Resigned 31 August 2022) |
| Mr P Blow | |
| Mrs V Isaac | |
| Mrs D Davies | |
| Mr I Haddow | |
| Miss V Hearn | |
| Mrs B Jones | |
| Mr E Jones | (Resigned 31 August 2023) |
| Mr C Moorhouse | |
| Mrs F Moorhouse | |
| Mrs M Withall | |
| Mr M Benneworth | (Appointed 7 April 2019) |
| Mrs E Cunningham | |